2003 - 2004 LEGISLATURE

2003 BILL

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LRB-1362/1 2
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AN ACT to amend 146.70 (7); and to create 20.155 (3), 25.17 (1) (yo), 25.98, 77.51 (4) (b) 8., 77.51 (15) (b) 7. and 146.70 (3m) of the statutes; relating to: creating a wireless 911 fund; imposing a surcharge on wireless telephone customers; making grants for wireless 911 emergency telephone service; providing an exemption from emergency rule procedures; granting rule—making authority; and making appropriations.

Analysis by the Legislative Reference Bureau

This bill requires the Public Service Commission (PSC) to make grants to wireless telecommunications providers (wireless providers) and cities, villages, towns, and counties (local governments) for reimbursement of certain costs related to providing wireless 911 emergency telephone service (wireless 911 service). The grants are funded by a surcharge paid by wireless customers.

A wireless provider is eligible for the grants if it is subject to orders of the Federal Communications Commission (FCC) regarding wireless 911 service. In addition, a wireless provider must apply for the grants no later than the months after the bill's effective date. An application must include an estimate of the costs that, during the three—year period beginning the bill's effective date, the wireless provider has incurred or will incur to upgrade, purchase, lease, program, install, test, operate, or maintain all data, hardware, and software necessary to comply with the FCC orders. The application must also include supporting documentation for the estimate.

INSEPT 1,1

governments that submit joint applications for estimated costs of jointly operating wireless 911 answering facilities. The rules must establish the supplemental grants in amounts that provide incentives for making joint applications. A joint application must specify the manner in which the estimated costs are apportioned between the local governments, and the PSC must make grants according to the apportionment.

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The PSC must withhold from public inspection any information the PSC receives that would aid the competitor of a wireless provider.

Local governments and other state agencies are prohibited from requiring wireless telecommunications providers to collect or pay a surcharge or fee related to wireless 911 service.

Wireless providers must identify the surcharge on customer bills as "Wisconsin Wireless 911 Surcharge".

Wireless providers are immune from liability to any person who lases a wireless 911 service for which a grant is made under the bill.

6. The bill's requirements regarding the surcharge and grant program do not apply after three years after the bill's effective date.

This bill will be referred to the Joint Survey Committee on Tax Exemptions for a detailed analysis, which will be printed as an appendix to this bill.

For further information see the **state and local** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.155 (3) of the statutes is created to read: 2 20.155 (3) Wireless 911 Grants. (q) General program operations and grants. From the wireless 911 fund, all moneys received under s. 146.70 (3m) (é) 1. to administer and make grants to wireless providers and local governments under s. 4 146.70 (3m) Wand supplemental grants to local governments described in 5 s. 146.70 (3m) dy (e) V 6 7 **Section 2.** 25.17 (1) (yo) of the statutes is created to read: 8 25.17 (1) (yo) Wireless 911 fund (s. 25.98); 9 **SECTION 3.** 25.98 of the statutes is created to read: 25.98 Wireless 911 fund. There is established a separate nonlapsible trust 10 fund designated as the wireless 911 fund, consisting of deposits by the public service 11 commission under s. 146.70 (3m) (e) 1. 13 **SECTION 4.** 77.51 (4) (b) 8. of the statutes is created to read:

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77.51 (4) (b) 8. The surcharge established in rules of the public service
commission under s. 146.70 (3m) (6) for customers of wireless providers, as defined
in s. 146.70 (3m) (a) 5.

SECTION 5. 77.51 (15) (b) 7. of the statutes is created to read:

77.51 (15) (b) 7. The surcharge established in rules of the public service commission under s. 146.70 (3m) (c) for customers of wireless providers, as defined in s. 146.70 (3m) (a) 5.

Section 6. 146.70 (3m) of the statutes is created to read:

146.70 (3m) Wireless providers. (a) Definitions. In this subsection:

- 1. "Commission" means the public service commission.
- 2. "Federal wireless orders" means the orders of the federal communications commission regarding 911 emergency services for wireless telephone users in FCC docket no. 94–102.
 - 3. "Local government" means a city, village, town, or county

4. "Reimbursement period" means the period of time between the effective date of this subdivision [revisor inserts date], and the first day of the the month after the effective date of this subdivision [revisor inserts date].

- 5. "Wireless provider" means a commercial mobile radio service provider, as defined in s. 196.01 (2g), that is subject to the federal wireless orders.
- 6. "Wireless public safety answering point" means a facility to which a call on a wireless provider's system is initially routed for response, and on which a public agency directly dispatches the appropriate emergency service provider, relays a message to the appropriate emergency service provider, or transfers the call to the appropriate emergency services provider.

first day of the 10th month beginning after the

par. (d

including costs for all of the following:

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- a. Necessary network equipment, computer hardware and software, database equipment, and radio and telephone equipment, that are located within the wireless public safety answering point.
 - b. Training operators of a wireless public safety answering point.
- c. Network costs for delivery of calls from a wireless provider to a wireless public safety answering point.
- 2. Local governments that jointly operate, or intend to jointly operate, a wireless public safety answering point may submit a joint application under subd.

 1. A joint application shall specify the manner in which the estimated costs ander a proportioned among the local recommendation.
- are apportioned among the local governments that have made the joint

11 application. INSERT 6-11

- 3. A city, village, or town in a county, the county itself, or a combination of cities, villages, towns, or counties that submit a joint application under subd. 1., is eligible for grants under subd. 5. only if, no later than the first day of the 7th menth beginning after the effective date of this subdivision [revisor inserts date], the county has passed, or, in the case of a joint application, the counties in which the jointly applying local governments are located have passed a resolution specifying that the city, village, or town, the county itself, or the combination of cities, villages, towns, or counties, is eligible for the grants. Only one city, village, or town in a county, or the county itself, may receive grants under subd. 5., except that, if the resolution specifies a combination of cities, villages, towns, or counties that submit a joint application under subd. 1., the specified cities, villages, towns, or counties may receive the grants.
- 4. If the commission determines that the estimate of a local government under subd. 1. is unreasonable, the commission shall provide the local government with the

(e) (Supplemental grants.

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The rules under subd. 1. shall allow the commission to make any grant 1 installments: uniform 3 (e) Wireless surcharge. 1. The commission shall promulgate rules requiring each wireless provider to impose a monthly surcharge for each telephone number of 4 5 a customer that has a billable address in this state and pay the surcharge to the commission for deposit in the wireless 911 fund. The rules may not require the 6 7 surcharge to be imposed after the first day of the the month beginning after the effective date of this subdivision [revisor inserts date]. The amount of the 8 surcharge shall be sufficient for the commission to administer and make the grants 9 10 under pars. (c) and the supplemental grants described in par. The commission may promulgate rules that increase or decrease the 11 surcharge, except that the commission may not increase the surcharge more than 12 13 once per year and any increase must be uniform statewide. 3. A wireless provider shall identify the surcharge on a customer's bill on a 14 15 separate line that consists of the words "Wisconsin Wireless 911 Surcharge."

4. A wireless provider may not prorate the surcharge and shall collect the entire amount of the surcharge for a month of partial service.

bring an action to collect a surcharge that is not paid by a customer and the customer's wireless provider is not liable for the unpaid surcharge.

(f) Confidentiality of information. The commission shall withhold from public inspection any information received under this subsection that would aid a competitor of a wireless provider in competition with the wireless provider.

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(f) Other charges prohibited. No local government or state agency, as defined in s. 16.375 (1), except the commission, may require a wireless provider to collect or 3

pay a surcharge or fee/related to wireless emergency telephone service.

(h) Sunset. This subsection does not apply after the first day of the the month beginning after the effective date of this paragraph [revisor inserts date].

SECTION 7. 146.70 (7) of the statutes is amended to read:

146.70 (7) Telecommunications utility and wireless providers not liable. A telecommunications utility shall not be liable to any person who uses an emergency number system created under this section and a wireless provider, as defined in sub. (3m) (a) 5., shall not be liable to any person who uses an emergency telephone

aber system for which a grant is made under sub. (3m)

SECTION 8. Nonstatutory provisions.

- (1) Wireless 911 Surcharge Rules.
- (a) Emergency rules. The public service commission may, using the procedure under section 227.24 of the statutes, promulgate the rules under section 146.70 (3m) (e) 1. of the statutes, as created by this act, for the period before permanent rules become effective, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the commission is not required to provide evidence that promulgating a rule under this paragraph as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this paragraph.
- (b) Proposed rules. The public service commission shall submit in proposed form the rules required under section 146.70 (3m) (6) 1. of the statutes, as created by this act, to the legislative council staff under section 227.15 (1) of the statutes no

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later than the first day of the 10th month beginning after the effective date of this paragraph.

(2) Wireless 911 Grant rules.

shall

- (a) Emergency rules. The public service commission play, using the procedure under section 227.24 of the statutes, promulgate the rules under section 146.70 (3m) (d) of the statutes, as created by this act, for the period before permanent rules become effective, but not to exceed the period authorized under section 227.24 (1) (c) and (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the commission is not required to provide evidence that promulgating a rule under this paragraph as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required to provide a finding of emergency for a rule promulgated under this paragraph.
- (b) Proposed rules. The public service commission shall submit in proposed form the rules required under section 146.70 (3m) (d) of the statutes, as created by this act, to the legislative council staff under section 227.15 (1) of the statutes no later than the first day of the 18th month beginning after the effective date of this paragraph.

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(END)



2003–2004 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1362/2ins MDK:...:...

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and operating facilities for routing wireless 911 telephone calls (wireless public safety answering points)

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operate a wireless public safety answering point (INSERT 2.2:

Only one wireless public safety answering point in each county is eligible for the grants.

INSERT 2.3:

wireless public safety answering point

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wireless public safety answering point

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wireless public safety answering point

INSERT 2.6:

approve an application if the PSC determines that the estimated costs are reasonable and have been, or will be, incurred for the purpose of promoting an effective and efficient statewide system for responding to wireless 911 telephone calls. In addition, the bill prohibits grants to local governments from being used for specified costs, including certain costs for dispatching emergency services and salaries and benefits for operators of wireless public safety answering points. If the PSC does not approve an application, the PSC must provide the applicant with its reasons and provide an opportunity to resubmit the application.

INSERT 2.7:

promulgate rules for making grants, including criteria for approving estimated costs and record–keeping requirements for ensuring that the grants are used for approved costs. The bill also requires the PSC to promulgate rules for making supplemental grants to counties for the joint operation of a wireless public safety answering point by different counties or local governments in different counties. To be eligible for supplemental grants, the resolution described above for each county must specify the same wireless public safety answering point, which is the only wireless public safety answering point for which local governments in the counties may receive the grants described above.

INSERT 2.8:

The surcharge may be imposed only during the three year period beginning nine months after the bill's effective date.

every county which itself is one of the local local governments or in which any of the local INSERT 3.1: governments 1 makes an emergency telephone call initially routed to a wireless public safety answering point INSERT 3.2: 5. The surcharge under the bill is exempt from the sales and use taxes. 4 **INSERT 4-14:** , or an entity formed by a contract under s. 66.0301 (2) by a city, village, town, or 5 6 countly 7 **INSERT 5-16:** that operates a wireless public safety answering point, or local governments that 8 9 jointly operate a wireless public safety answering point. 10 **INSERT 5-19:** in which the local government or local governments are located, or the county 11 itself if the county operates or jointly operates the wireless public safety answering 12 13 14 **INSERT 5-20:** the local government or local governments have 15 16 **INSERT 6-9:** If an application under subd. 1. is for the joint operation of a wireless public safety 17 18 answering point by local governments, the 19 **INSERT 6-11:** 3. A local government that operates a wireless public safety answering point, 20 or local governments that jointly operate a wireless public safety answering point, 21are not eligible for grants under par. (d) unless, no later than the first day of the 10th 22 month beginning after the effective date of this subdivision [revisor inserts date], 23 county in which the local government or local governments are located or the 24

LRB-1362/2ins

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county itself if the county operates or jointly operates the wireless public safety answering point, has passed a resolution specifying that the wireless public safety answering point is eligible for the grants. Except as provided in subd. 4., only one wireless public safety answering point in each county is eligible for local governments to receive grants under par. (d).

- 4. If a county or local government in a county jointly operates a wireless public safety answering point with another county or local government in another county, the resolution passed by each county under subd. 3. must specify the same wireless public safety answering point, and the counties must submit a joint application under subd. 1. that complies with the requirement under subd. 2. In each county that submits a joint application, only the wireless public safety answering point specified in the resolutions is eligible for local governments to receive grants under par. (d).
- (d) Grants; commission approval and rules. 1. The commission shall approve an application under par. (b) or (c) if the commission determines that the costs estimated in the application are reasonable and have been, or will be, incurred for the purpose of promoting an effective and efficient statewide system for responding to wireless emergency 911 telephone calls. If the commission does not approve an application, the commission shall provide the applicant or applicants with commission's reasons and give the applicant or applicants an opportunity to resubmit the application.

INSERT 7-5:

For applications for the joint operation of a wireless public safety answering point, the commission shall apportion the grants in the manner specified under par. (c) 2.

3. No grant to a local government under subd. 2. may

INSERT 7–19:
this paragraph, including criteria for approving estimated costs under subd. 1. The
rules shall include record-keeping requirements to ensure that the grants are used
to reimburse estimated costs approved by the commission. The rules shall allow the
commission to make the grants in installments.
INSERT 7-24:
and the shall allow the commission to make the grants in installments.
INSERT 8-7:
before the first day of the 10th month beginning after the effective date of this
subdivision [revisor inserts date] or
subdivision [revisor inserts date] or INSERT 9-11:
makes an emergency telephone call initially routed to a wireless public safety
answering point, as defined in sub. (3m) (a) 6.
INSERT 10-12:
The public service commission shall promulgate the rules required under this
paragraph no later than the first day of the 7th month beginning after the effective
date of this paragraph. \smile

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1362/2dn MDK:/.:...

Representative Montgomery:

Please review this version to make sure it achieves your intent. Note that I changed the deadlines imposed by the bill as follows:

Counties must pass the required resolutions no later than about 9 months after the bill's effective date (which is the first day of the 10th month beginning after the effective date). Wireless providers and local governments must apply for grants by the same deadline. Also, the PSC must promulgate emergency rules on the grant program (including the criteria for approving estimated costs) no later than about 6 months after the bill's effective date. Therefore, counties and wireless providers will have about 3 months to prepare applications based on the emergency rules. Proposed permanent rules must be submitted no later than about 9 months after the bill's effective date.

Based on the 9 month lag time described above, I changed the reimbursement period so that it is the 3—year period beginning after 9 months after the bill's effective date. Also, the sunset date is changed so that it is 3 years and 9 months after the bill's effective date. The PSC must submit proposed permanent rules on the amount of the surcharge no later than about Oyear after the bill's effective date. The PSC is allowed, but not required, to promulgate emergency rules regarding the wireless surcharge that go into effect before the permanent rules. Also, the surcharge may only be imposed during the 3—year period beginning after the 9 month lag time.

Please contact me if you need any changes to this version.

Mark D. Kunkel Senior Legislative Attorney Phone: (608) 266–0131

E-mail: mark.kunkel@legis.state.wi.us

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DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-1362/2dn MDK:cjs:pg

February 4, 2003

Representative Montgomery:

Please review this version to make sure it achieves your intent. Note that I changed the deadlines imposed by the bill as follows:

Counties must pass the required resolutions no later than about 9 months after the bill's effective date (which is the first day of the 10th month beginning after the effective date). Wireless providers and local governments must apply for grants by the same deadline. Also, the PSC must promulgate emergency rules on the grant program (including the criteria for approving estimated costs) no later than about 6 months after the bill's effective date. Therefore, counties and wireless providers will have about 3 months to prepare applications based on the emergency rules. Proposed permanent rules must be submitted no later than about 9 months after the bill's effective date.

Based on the 9 month lag time described above, I changed the reimbursement period so that it is the 3-year period beginning 9 months after the bill's effective date. Also, the sunset date is changed so that it is 3 years and 9 months after the bill's effective date. The PSC must submit proposed permanent rules on the amount of the surcharge no later than about one year after the bill's effective date. The PSC is allowed, but not required, to promulgate emergency rules regarding the wireless surcharge that go into effect before the permanent rules. Also, the surcharge may only be imposed during the 3-year period beginning after the 9 month lag time.

Please contact me if you need any changes to this version.

Mark D. Kunkel Senior Legislative Attorney Phone: (608) 266–0131

E-mail: mark.kunkel@legis.state.wi.us

Barman, Mike

From:

Kunkel, Mark

Sent:

Wednesday, February 12, 2003 11:37 AM

To: Subject: Barman, Mike Hearing: LRB-1362

A hearing on LRB-1362 is scheduled for next Wed., 2/19, at noon. (Transportation and Information Infrastructure Comm.)

Mark D. Kunkel Senior Legislative Attorney Legislative Reference Bureau (608) 266-0131



State of Misconsin

LEGISLATIVE REFERENCE BUREAU

LEGAL SECTION: REFERENCE SECTION: FAX:

(608) 266-3561 (608) 266-0341 (608) 266-5648 100 NORTH HAMILTON STREET P. O. BOX 2037 MADISON, WI 53701-2037

STEPHEN R. MILLER

March 6, 2003

MEMORANDUM

To:

Representative Montgomery

From:

Joseph T. Kreye, Legislative Attorney, (608) 266-2263

Subject:

Technical Memorandum to 2003 AB-61 (LRB -1362/2)

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

MEMORANDUM

February 26, 2003

TO:

Joseph Kreye

Legislative Reference Bureau

FROM:

Dennis Collier

Department of Revenue

SUBJECT:

Technical Memorandum on Assembly Bill 61 Relating to Funding for 911

Emergency Services for Mobile Telephones

Sections 4 and 5 exempt surcharges for 911 emergency services for mobile telephones from sales tax by amending the definitions of "gross receipts" and "sales price" to exclude the surcharges. Since s. 77.54 (37) exempts charges imposed on basic telephone service users to fund emergency 911 services, it would be clearer to amend s. 77.54 (37) to exempt the new mobile telephone 911 surcharges along with the currently exempt surcharges.

If you have questions regarding this technical memorandum, please contact Blair Kruger at 266-1310 or bkruger@dor.state.wi.us.